

Minutes of the meeting held on Monday August 3, 2015

Present: Francis Murphy – Chair, James Monagle, Michael Gardner, John Shinkwin, Ellen Philbin, Attorney James Quirk and Chris Burns.

Absent: Nadia Chamblin-Foster

The meeting was called to order at 5:00 PM. The meeting was digitally recorded.

Agenda Item #1 – Minutes

Motion by Gardner, seconded by Monagle to accept the minutes of the investment review meeting held on June 30, 2015. Voted unanimously.

Motion by Shinkwin, seconded by Monagle to accept the regular minutes of the meeting held on July 6, 2015. Voted unanimously.

Motion by Shinkwin, seconded by Gardner to accept the executive session minutes of the meeting held on July 6, 2015. Voted unanimously.

Agenda #2 - Warrant

Gardner requested that the Director provide additional information to how the management fees from PRIT are calculated, and to have Segal determine how competitive their fees are.

Motion by Gardner, seconded by Shinkwin to allow payment of warrant #14 in the amount of \$6,086,747.10 and warrant #15 in the amount of \$1,418,233.88. Voted unanimously.

Agenda Item #3 – Superannuations

Motion by Gardner, seconded by Monagle to accept the superannuation retirement applications submitted by Katherine M. Bonfiglio, RN, Cambridge Health Alliance with twenty-nine years, Judith L. Herman, Psychiatrist, Cambridge Health Alliance with thirteen years eight months, Nancy P. Madeiros, Budget Analyst, Cambridge School Department with twenty-seven years, Linda M. O'Connor, Paraprofessional, Cambridge School Department with twenty-three years two months, John F. Rapoza, Mechanic Aide, Cambridge Housing Authority with seventeen years two months and Mary L. Spinosa, Teachers Assistant, School Department with fourteen years nine months. Voted unanimously.

Agenda Item #4 – Redeposits / Make up / Liability

The Board reviewed make-up and redeposit worksheets for five members.

Motion by Shinkwin, seconded by Gardner to allow the redeposit of refunds requested by Karen C. Carney, three years, Marguerite Hicks-Ayewu, one year, Margaret S. Merullo, one year, four months, to allow the make-up of contributions requested by Margaret S. Merullo, nine months (pro-rated), Mary Lou Spinosa, five years one month (pro-rated) and Robin S. Zachary, nine months (pro-rated). Voted unanimously.

Agenda Item #5 – Refund Applications

The Board reviewed a list of refunds submitted in July.

Motion by Gardner, seconded by Shinkwin to accept twelve refund applications. Voted unanimously.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing disability retirement applications. The Chairman stated that the meeting would reconvene in open session at the conclusion of the executive session.

On a roll call, the vote was as follows:

Michael Gardner: YES
John Shinkwin: YES
James Monagle: YES
Francis Murphy: YES

Agenda Item #6 - Accidental Disability Application – Daniel M. Harrington

The Board reviewed the member's application, treating physician's statement and employer's statement pertaining to Daniel Harrington's Accidental Disability application.

Motion by Gardner, seconded by Shinkwin to accept the Accidental Disability application filed by Daniel Harrington, and to request that PERAC convene a medical panel. Voted unanimously.

Agenda Item #7 - Accidental Disability Benefit – Daniel Turner

The Board reviewed the certificate and narrative report of a joint medical panel, the member's application, treating physician's statement and employer's statement pertaining to Daniel Turner's Accidental Disability application.

Motion by Shinkwin, seconded by Gardner to accept the findings of the medical panel and grant Accidental Disability benefits to Daniel Turner, a Deputy Chief in the Fire Dept. Voted unanimously.

Agenda Item #8 – 12 (2) (d) Survivor Benefit – Ann Martins

The Board reviewed the request for survivor benefits, and the member's death certificate and marriage license. The Chairman noted that Thomas Gibson represents the applicant, but he was unable to attend the meeting.

Motion by Gardner, seconded by Monagle to grant survivor benefits pursuant to Sec. 12 (2) (d) to Ann Martins, the surviving spouse of Manuel Martins, Building Maintenance Craft Person with Cambridge Department of Public Works. Voted unanimously.

Agenda Item #9 – PERAC Memos

The Board reviewed PERAC memos number from 13 through 17. No action was taken.

Agenda Item #10 – Old Business

The Director stated that Tony Teberio was hired by People's Bank, and that the bank plans to begin offering custodial services to Massachusetts public funds. The customer service from State Street has been somewhat better. The Director stated that she would like to issue an RFP for custodial services before the end of the year. Motion by Gardner, seconded by Shinkwin to issue an RFP for custodial banking services, to consult with Segal advisors as needed to develop the RFP and to authorize the Director to act as the Procurement Officer. Voted unanimously.

Agenda Item #11 - New Business

Gardner noted that the current edition of the PERAC newsletter contains an article recommending adoption of a generational mortality assumption as part of Boards' actuarial valuation process. It was reported that the State Board of Retirement has adopted an investment return assumption of 7.75%. Gardner stated that he feels that that Cambridge would do well to match the State's assumption.

Agenda Item #12 - Executive Session

Agenda Item #6 – adopted
Agenda Item #7 – adopted
Agenda Item #8 – adopted

Agenda Item #13 - Chairman's Report

None offered.

Agenda Item #14 - Executive Director's Report

The KPMG auditors completed their work in the office on July 31st. They may return in the fall for some follow-up business.

The following documents were also reviewed by the Board:

- Notice of Retiree Deaths
- PERAC Pension News 40th Edition
- Letter to Governor Baker.
- March Financials - General Ledger, March Summary of Accts, March Trial Balance. March Adjustments, March Cash Disbursements, March Cash Receipts, Wire Transfers.
- Segal Rogerscasey-CRB re: Investment Manager Review Agenda.
- Columbia Threadneedle – Quarterly Report.
- Lazard Asset Management re: June Portfolio Review.

Monagle moved to adjourn at 6:05 PM.